

Message Text

CONFIDENTIAL

PAGE 01 SINGAP 00448 300548Z
ACTION EA-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03
SP-02 LAB-04 SIL-01 OMB-01 ITC-01 STR-07 /063 W
-----086513 300554Z /15

R 300330Z JAN 78
FM AMEMBASSY SINGAPORE
TO SECSTATE WASHDC 9511
INFO AMEMBASSY BANGKOK
AMEMBASSY JAKARTA
AMEMBASSY KUALA LUMPUR
AMEMBASSY MANILA

C O N F I D E N T I A L SINGAPORE 0448

E.O. 11652: GDS
TAGS: ASEAN, SN
SUBBJ: GOS ATTITUDES TOWARD ASEAN

1. SUMMARY. AMERICAN BUSINESS COUNCIL (ABC) REPS MET WITH SENIOR MINISTER OF STATE FOR FINANCE GOH CHOK TONG AND CHAIRMAN OF ECONOMIC DEVELOPMENT BOARD NGIAM TONG DOW IN EARLY JANUARY TO DISCUSS ABC'S RELATIONSHIP WITH AND POSSIBLE PARTICIPATION IN ASEAN PRIVATE SECTOR ORGANIZATIONS. GOS REPS SAID GOS HAS BEEN PUSHING FOR TRADE LIBERALIZATION RATHER THAN INDUSTRIAL COMPLEMENTATION, BUT FACES RESISTANCE FROM PHILIPPINES AND MALAYSIA. THEY WERE SKEPTICAL ON FUTURE OF INDUSTRY CLUBS AND ADVISED U.S. INVESTORS HERE THAT DOING NOTHING ABOUT JOINING CLUBS MIGHT BE TO THEIR ADVANTAGE. ON U.S.-ASEAN CONSULTATIONS, THEY STRESSED IMPORTANCE OF MID-78 MEETING AS INDICATOR OF FURTHER UTILITY OF U.S.-ASEAN DIALOG. END SUMMARY.

2. GOS HAS DIRECTED ITS EFFORTS IN ASEAN TOWARD TRADE LIBERALIZATION RATHER THAN INDUSTRIAL COMPLEMENTATION AND HAVE HAD UPHILL STRUGGLE TO PERSUADE OTHER ASEAN GOVERNMENTS TO FOLLOW THIS LEAD. NGIAM NOTED THAT SINGAPORE'S DEFINITION
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SINGAP 00448 300548Z

OF TRADE LIBERALIZATION INCLUDES FREEZING OF PRESENT TARIFF LEVELS. EMBASSY COMMENT:
SINGAPORE'S LOW OR NON-EXISTENT TARIFFS MAKE IT IMPOSSIBLE FOR GOS TO MATCH OTHER ASEAN COUNTRIES' TARIFF CUTS.

3. OF FIVE ASEAN ECONOMIC COMMITTEES, GOS SEES

THAT ON INDUSTRY, MINERALS AND ENERGY, HEADED BY PHILIPPINES INDUSTRIES MINISTER PATERNO AS STRONGEST. PATERNO, HOWEVER, IS CONSERVATIVE ON TRADE LIBERALIZATION AND HAS PUSHED FOR INDUSTRIAL COMPLEMENTATION. HE ALSO ORIGINALLY PROPOSED INDUSTRY CLUBS STRUCTURE AND IS SUPPORTED IN THIS BY MALAYSIA WITH OTHER ASEAN COUNTRIES REMAINING SKEPTICAL OF BENEFITS. GOS SUSPECTS INDUSTRY CLUBS MAY DO MORE HARM THAN GOOD.

4. SOMEWHAT SURPRISINGLY, GOS REPS COMPLAINED ABOUT WEAKNESS OF ASEAN SECRETARY GENERAL POSITION; I.E., THE NEED TO CONFER WITH FIVE ECONOMIC COMMITTEE CHAIRMEN ON MOST QUESTIONS, AND FELT SEC GEN SHOULD BE GIVEN LONGER TENURE (THAN PRESENT TWO YEARS) AND GREATER RESPONSIBILITIES.

5. GOS SEES LITTLE PROGRESS BY ASEAN CHAMBER OF COMMERCE AND INDUSTRY, WHICH TENDS TO BE MORE PROTECTIVE THAN ASEAN GOVERNMENTS. INDUSTRY CLUBS HAVE ALSO PROGRESSED LITTLE BECAUSE OF LACK OF U.S. AND OTHER FOREIGN INVESTOR INVOLVEMENT. NGIAM SAID THAT THIS MAY BE ADVANTAGEOUS FOR U.S. BUSINESS SINCE IT MAY BECOME APPARENT THAT INDUSTRY CLUBS WON'T WORK AND ASEAN WILL HAVE TO TURN TO MULTINATIONALS FOR EFFECTIVE ECONOMIC DEVELOPMENT. CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SINGAP 00448 300548Z

IN RESPONSE TO QUESTION ON PART U.S. FIRMS SHOULD PLAY IN INDUSTRY CLUBS, NGIAM SAID BEST APPROACH AT PRESENT MAY BE TO DO NOTHING.

6. ON ASEAN INDUSTRIAL PROJECTS, GOS REPS SAID IDEA WAS PRES. SUHARTO'S, THAT SCHEMES WERE SETTLED ON TOO HASTILY AND THAT MOST OF COUNTRIES NOW HAVE SERIOUS PROBLEMS WITH THEIR PROJECTS. INVESTMENT RULES FOR PROJECTS ADDED COMPLICATING FACTOR.

7. GOS REPS WERE NEUTRAL TOWARD ASEAN-U.S. BUSINESS COUNCIL PROPOSAL, BUT NOTED THAT IT COULD NOT FUNCTION LIKE JAPAN-U.S. COUNCIL SINCE THERE IS NO SINGLE ASEAN ENTITY LIKE JAPANESE COUNCIL ON ECONOMIC ORGANIZATION WITH WHOM TO INTERACT.

7. GOS REPS SAID THAT FIRST U.S.-ASEAN CONSULTATION IN MANILA WAS EXPLORATORY WITH NO U.S. COMMITMENTS. THEY CONSIDER SECOND MEETING IN MID-1978 EXTREMELY IMPORTANT AS INDICATOR OF UTILITY OF CONTINUING U.S.-ASEAN DIALOGUE. GOS DOES NOT AT THE MOMENT

SEE HOW MOMENTUM CAN BE SUSTAINED AND REPS ASKED
FOR ABC IDEAS.

8. COMMENT: GOS REPS WERE EXCEPTIONALLY FORTHRIGHT
IN EXPRESSING THEIR VIEWS ON ASEAN TO ABC GROUP.
WHETHER OR NOT THEY EXPECTED THEIR COMMENTS TO
REACH WASHINGTON, THEY WERE, WE BELIEVE, EXPRESSING
GENUINE GOS ATTITUDE TOWARD ASEAN AND U.S.-ASEAN
DIALOGUE. AS WE HAVE PREVIOUSLY REPORTED, GOS
DOES NOT EXPECT A GREAT DEAL OF SPECIAL ECONOMIC
BENEFITS FROM U.S. AS RESULT OF DIALOGUE. WHAT
IS IMPORTANT TO GOS, HOWEVER, IS THAT DIALOGUE
FOCUSES USG ATTENTION ON SOUTHEAST ASIA AND PROVIDES
ASEAN WITH FORUM IN WHICH TO MAKE ITS INTERESTS
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 SINGAP 00448 300548Z

AND OBJECTIVES KNOWN TO US.
HOLDRIDGE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, PUBLIC ATTITUDES
Control Number: n/a
Copy: SINGLE
Draft Date: 30 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SINGAP00448
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780044-0086
Format: TEL
From: SINGAPORE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978017/aaaaaftu.tel
Line Count: 138
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 993efce3-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 06 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3784601
Secure: OPEN
Status: NATIVE
Subject: BJ: GOS ATTITUDES TOWARD ASEAN
TAGS: ECON, PEPR, SN, ASEAN
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/993efce3-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014